

**House Study Bill 681 - Introduced**

HOUSE FILE \_\_\_\_\_

BY (PROPOSED COMMITTEE ON  
HUMAN RESOURCES BILL BY  
CHAIRPERSON SMITH)

**A BILL FOR**

1 An Act authorizing implementation of county mental health,  
2 mental retardation, and developmental disabilities services  
3 pilot projects involving such services and levy rates.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. 2009 Iowa Acts, chapter 179, section 1, is  
2 amended by adding the following new subsection:

3 NEW SUBSECTION. 3. *a.* For the purposes of this subsection,  
4 "*services fund*" means the county mental health, mental  
5 retardation, and developmental disabilities services fund  
6 created in section 331.424A.

7 *b.* The department of human services may implement one or  
8 more pilot projects consisting of county groupings for mental  
9 health, mental retardation, and developmental disabilities  
10 services paid from the participating services funds. The  
11 initial term of a pilot project implemented under this  
12 subsection is limited to the three-year period beginning July  
13 1, 2010, and ending June 30, 2013.

14 *c.* Under a pilot project, the department may enter into an  
15 agreement with the counties participating in the pilot project  
16 delineating how the service needs of the consumer populations  
17 receiving mental health, mental retardation, and developmental  
18 disabilities services paid from the services funds of the  
19 participating counties will be addressed. A pilot project area  
20 shall be comprised of at least five counties with a general  
21 population of at least 75,000 and not more than 250,000, based  
22 on the latest applicable population estimate issued by the  
23 federal government. The pilot project provisions may include  
24 but are not limited to all of the following:

25 (1) Pooling of all or a portion of the state funding  
26 provided for use by the pilot project counties' services funds.

27 (2) Pooling of medical assistance program home and  
28 community-based services waiver slots for the participating  
29 counties, to the extent current waiver provisions allow slots  
30 to be designated for counties.

31 (3) To the extent allowed under federal requirements,  
32 decategorizing the funding streams for mental health, mental  
33 retardation, and developmental disabilities services available  
34 to the counties participating in the pilot project.

35 (4) If the department implements a new program, initiative,

1 or service addressing the needs of the populations receiving  
2 services paid for by a county services fund, adapting any  
3 associated requirements to optimize implementation within the  
4 pilot project counties.

5 (5) Establishing a standard practice in which the pilot  
6 project counties may utilize assessment tools such as the  
7 level of care and utilization system (LOCUS) or the supports  
8 intensity scale (SIS) to determine the functional needs of a  
9 consumer. The functional assessment would be used to develop  
10 an individual budget allocation for each consumer that the  
11 consumer can direct toward the service needs of the consumer.

12 (6) State funding distributed to the pilot project  
13 counties may be reallocated among the pilot project counties  
14 as determined by those counties based upon individual budget  
15 allocations and county administrative costs and historical  
16 needs.

17 (7) County property taxes credited to the respective county  
18 services funds shall continue to be used for the services costs  
19 of the respective counties.

20 (8) As determined and approved by the respective county  
21 board of supervisors for the second and third years of the  
22 pilot project, in lieu of the limitation otherwise applicable  
23 under section 331.424A, subsection 4, county revenues from  
24 taxes imposed by a pilot project county that are credited to  
25 the county's services fund shall be subject to a levy rate  
26 limitation. The levy rate for a pilot project county shall not  
27 exceed the actual levy rate of the county's services fund for  
28 the fiscal year beginning July 1, 1997.

29 *d.* For purposes of qualifying for the allowed growth and  
30 MH/DD community services fund moneys distributed under this  
31 section, the minimum levy and services fund ending balances of  
32 the counties participating in the pilot project may be combined  
33 and an average utilized to qualify for the moneys.

34 *e.* For the allowed growth and MH/DD community services fund  
35 moneys distributed for the fiscal years of the pilot project,

1 provided the counties participating in the pilot project do  
2 not reduce levies below the required percentages, the combined  
3 percentage of those moneys of such counties shall not be less  
4 than the combined percentage of such moneys in the preceding  
5 fiscal year.

6 *f.* A county's participation in the pilot project and the  
7 provisions of the pilot project must be agreed upon by the  
8 department and the board of supervisors of each of the counties  
9 participating in the pilot project.

10 *g.* The pilot project counties shall provide periodic  
11 performance and evaluation information to the department,  
12 governor, and general assembly, and shall share nonidentifying  
13 functional assessment and individual budget allocation data  
14 with the department and interested counties.

15 *h.* The outcomes addressed by the pilot project may include  
16 but are not limited to any of the following:

17 (1) Validating the use of functional assessment tools.

18 (2) Validating the use of individual budget allocations.

19 (3) Determining the statewide viability of implementing the  
20 alternative funding approaches utilized in the pilot project.

21 (4) Evaluating whether the funding approaches used in  
22 the pilot project can be applied statewide as a means of  
23 instituting a residency-based approach for funding in place of  
24 legal settlement.

25 (5) Determining whether the approaches utilized in the  
26 pilot project have enhanced consumer choice, empowerment,  
27 community involvement with consumers, and community capacity to  
28 support consumers in achieving improved outcomes.

29 EXPLANATION

30 This bill authorizes the department of human services  
31 to implement county mental health, mental retardation, and  
32 developmental disabilities (MH/MR/DD) services pilot projects.

33 The bill amends the authorization into 2009 Iowa Acts,  
34 chapter 179, section 1, which appropriates funding for  
35 distribution to counties of the county MH/MR/DD allowed growth

1 factor adjustment for fiscal year 2010-2011.

2 A pilot project area must be comprised of at least five  
3 counties with a general population of at least 75,000 and not  
4 more than 250,000. The initial pilot project period is limited  
5 to the three fiscal years beginning July 1, 2010, and ending  
6 June 30, 2013.

7 The pilot project provisions are required to be outlined  
8 in an agreement between the department and pilot project  
9 counties and may include any of the following: pooling of  
10 state funding, pooling of medical assistance program home  
11 and community-based services waiver slots, decategorizing of  
12 funding streams, adapting any new program requirements to  
13 optimize implementation within the pilot project counties,  
14 establishing as a standard practice the use of functional  
15 assessment tools to determine the functional needs of a  
16 consumer and develop an individual budget allocation for each  
17 consumer, reallocation of the state funding distributed to the  
18 pilot project counties based upon individual budget allocations  
19 and county administrative costs and historical needs, and use  
20 of a levy rate limit for MH/MR/DD services fund property taxes  
21 in lieu of a dollar amount levy limit.

22 The pilot project counties are required to provide  
23 evaluation and outcome information. A list of possible  
24 outcomes which may be realized by the pilot projects is  
25 provided.